

Town of Derry, NH

Fiscal Committee Meeting — April 18, 2023

Present: Jim MacEachern-Town Council Representative, David Caron, Stacey Beliveau, Tax Collector and Deputy Treasurer, Mark Fleischer and Tina Guilford, Town Clerk

Absent: Craig Corbett

Opened Meeting: 4:35pm - Mark Fleischer taking the minutes.

Approval of Minutes: Approval of the February 7, 2023, meeting minutes – Motion by Dave Caron, Seconded by Mark Fleischer.

CFO Report - Mark Fleischer reviewed the revenue and expenditure reports through March 31, 2023. March 31st represents a target of 75% of the fiscal year that has been completed. Revenues and expenditures from operations in the General Fund are at 90% and 85% of budget, respectively, compared to 74% and 76% for the same period last year. A review of revenue highlights included Fire at 135.5% of budget related to workers comp and disability reimbursements. Ambulance revenue is 96.2% of budget. Timber Tax and Payment in Lieu of Taxes (PILOT) collections in Assessing are trending above budget. Motor Vehicle revenues are slightly above the benchmark at 77.6% of budget. Town Clerk revenues are 91% of budget. OMO interest is \$688.2K above budget. Revenues trending lower include repayments of Human Services assistance, boat tax collections and Highway inspection fees. Transfers from the ACarr and MacGregor Trusts to recreation are low. Furniture recycling revenues, which include mattresses, are 22.5% of budget. In reviewing expenditures, Fire has (5) vacant positions however, overtime expenses are at 110.7% of budget. Police also has (3) vacant positions and SRO details are 60% of budget. Information Technology is higher due to annual software support payments processed in the first quarter. Human Services is high due to reservation of funds paid quarterly to outside supportive agencies. Highway and Streets is high due to reservation of funds designated to our roadway maintenance program. Snow removal is 119.8% of budget and road salt purchases are 113% of budget. Transfer Station is high due to reservation of funds for annual contractual services.

Also reviewed were revenues and expenditures in the other funds, Cable, Water and Wastewater. For Cable revenues, the first and second fiscal quarter Comcast Franchise Fee and the annual equipment grant payments have been received. Expenses for Cable are 78% of budget. Water revenues and expenses are at 28% and 29% and Wastewater is at 62% and 58%, respectively. There are several budgeted Water projects where the bulk of the work will take place in Q4 and into FY24. The most recent quarterly billing was dated 3/15/23.

Treasurers Report – Stacey Beliveau reviewed the GF operating cash balances through 3/31/23 which were higher than 3/31/22 (\$49.9M vs.\$48.1M). The GF operating cash is split between Citizens Bank TD Bank and NHPDIP. At 3/31/23, the Citizens rate was 2.32%, TD was 3.35% and NHPD was 4.73%. Stacey mentioned there are (2) CD's with TD; one that she rolled over to

5/31/23 and another maturing 5/1/23, both of which are earning over 4% and have a balance of approx. \$4.3m each.

Additionally, there is \$1.1m in a Capital Acquisition account at TD and approx. \$20m representing unspent bond proceeds in a separate account with NHPDIP.

The 3/31/22 interest rates ranged from .10% to .15%.

Trustees of the Trust Funds – The Chair of the Trustee of the Trust Funds, Craig Corbett, had a work commitment therefore could not attend. Mark Fleischer read his report to the group which was based on their meeting of April 17, 2023.

March 31, 2023 Balances

Trust Funds \$10,108,383 – (58.3% in Equities, 41.7% Fixed Income and Cash)

Capital Reserves \$16,782,431- (All Fixed Income and Cash)

Expendable Fund \$1,518,031- (All Fixed Income and Cash)

Total return for the Quarter Ending March 31, 2022-Managed by Cambridge Trust Co.

Trust Funds 2.01%

Capital Reserves 1.17%

Expendable Fund .03%

Trust Funds- rebounded from negative returns in the 2nd half of calendar year 2022 with a 9.57% return.

Capital Reserves-higher interest rates are yielding higher returns.

Expendable Trusts: 37.3% of the value is cash. Needs to have a better idea as to when withdrawals will take place.

A short discussion took place regarding the TTF looking into NHPDIP as there are no fees and the rate currently is higher than the returns being realized. Mark was unsure if their investment policy would allow a change.

Next meeting Date: TBD-July or August

Meeting adjourned at 5:00pm

Approved 12/9/23

Mark A. Fleischer C F O

